PHM – Prior Authorization Overview

Purpose: Pharmacy prior authorization (PA) involves obtaining approval for dispensing a drug before providing it to a member as a condition for provider reimbursement. Prior Authorization (PA) is requested at the prescriber level.

Identification of Roles:

Pharmacy Technician (PT) – Completes administrative tasks.

Pharmacist – Responds to prior authorization requests and completes determination.

Performance Standards: Provide sufficient staff such that 95 percent of all call line inquiry attempts are answered. The total number of abandoned calls shall not exceed five percent in any calendar month. Provide sufficient staff such that average wait time on hold per calendar month shall not be in excess of 30 seconds. Zero percent of appeal decisions overturned due to nonspecific prior authorization criteria.

Path of Business Procedure:

Step 1: The KEY context is the beginning of the Prior Authorization Decision Support System (PADSS) process.

a. Receive the requests via facsimile from physicians

b. Locate the PA that you want to open. Prior Authorization (PA)s available for opening are in one of the three main queues.

c. Double-click that Prior Authorization (PA). The Prior Authorization (PA) will open in the Image Viewer, and information in the Prior Authorization (PA) Information pane (if any) will become editable.

d. Pharmacy Technician (PT) verifies completion and legibility of the submitted form, and enters this data into the Prior Authorization (PA) system.

e. PT submits to Research from the disposition pane

Step 2: Research verifies loaded information, enter drug information, and research request for pertinent information.

a. Pharmacy Technician (PT) double checks all data entered into the previous KEY step

b. Pharmacy Technician (PT) enters National Drug Code (NDC) or drug name.

c. Pharmacy Technician (PT) checks the number of pages received. If Prior Authorization (PA) needs to be split at this point, send a Deposition back to KEY with a comment.

d. Pharmacy Technician (PT) does research on the requested drug.

e. Pharmacy Technician (PT) examines patient profiles.

f. Pharmacy Technician (PT) checks member eligibility. If member is not covered send to DETERMINATION with a comment regarding no coverage.

g. Pharmacy Technician (PT) looks up therapeutic equivalents.

h. Pharmacy Technician (PT) prepares any relevant notes for the final decision-making process in third step.

i. Pharmacy Technician (PT) submits Prior Authorization (PA) to DETERMINATION.

Step 3: Determination is the final decision on the Prior Authorization (PA).

a. Pharmacist will approve, deny, incomplete, or no Prior Authorization (PA) required the Prior Authorization (PA) request.

b. Pharmacist double checks all information previously entered on the Prior Authorization (PA).

c. Pharmacist enters days supply and units on Prior Authorization (PA)s

d. After approved, denied, incompleted or no Prior Authorization (PA) required, pharmacist enters comments in notes.

Step 4: Notification of Decision (NOD) faxed or printed and mailed.

a. Denial Notification of Decision (NOD) is mailed to the member, and all Notification of Decision (NOD)s are faxed to the physician and pharmacy (when a valid fax number and PHI agreement is available).

b. Fax is immediately transmitted to the pharmacy (if the pharmacy has fax capability) to promptly notify decision on the Prior Authorization (PA) for the member.

c. Notification of Decision (NOD)s will be sent as postal letters to members when a valid address is available. A valid address for the member must be available or an alternative notification mode must be identified and used.

Forms/Reports:

PA forms are located at the website www.iowamedicaidpdl.com under the PA Forms link.

RFP References: 6.3.2, 6.3.2.1, 6.3.2.3, 6.3.3.2

Interfaces: PADSS, POS

Attachments: None